Table-II Life Insurance Premium as a Percentage of GDP (As in 1999)

Position	Country	Life Premium as % age to GDP	Ranking
Globally	South Africa	13.92	1
	UK	10.30	2
	Japan	8.87	3
	South Korea	8.39	4
	Switzerland	8.06	5
	India	1.39	32 (out of 90)
Asia	Japan	8.87	1
	South Korea	8.39	2
	Taiwan	4.83	3
	India	1.39	8 (out of 27)

SOURCE: Sigma 9/2000.

Splitting of UTI

†2636. SHRI P. K. MAHESHWARI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to repeal the Unit Trust of India Act, 1963 and convert the UTI into Mutual Fund;

(b) if so, the details thereof;

(c) whether it is a fact that the foreign institutional investors are prevailing upon Government for the bifurcation/division of UTI; and

(d) if so, the concrete steps taken by Government for the safety of investors' money in the various schemes of UTI before taking such decision?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) No. Sir.

(b) Does not arise.

(c) No. Sir.

(d) UTI is an autonomous body created by an Act of Parliament. As per

†Original notice of the question was received in Hindi.

the UTI Act, the Board of Trustees, in discharging its functions, acts on business principles, keeping in view the interests of unit holders. All schemes floated by UTI after July, 1994 are within the regulatory purview of the Securities and Exchange Board of India (SEBI). Most of the schemes launched prior to 1994 have also been voluntarily subjected to supervision and inspection by SEBI and compliance with its guidelines for mutual funds. In July, 2000, as suggested by Government, UTI set up a Committee on Corporate Positioning to review its competitive and commercial positioning in the light of financial sector reforms and developments in the mutual fund industry.

Circulation of damaged notes

†2637. SHRI P. K. MAHESHWARI: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that small businessmen and general public in particular are facing great difficulties because of damaged currency notes being in circulation on a large scale in the States of Chhattisgarh and Madhya Pradesh;

(b) if so, whether the main reason of this problem is the massive shortage of small coins and the damaged notes being not changed by banks; and

(c) if so, the details of steps taken so far by Government tackle the problems of the general public?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHEPATIL): (a) The Government is aware of the difficulties faced by the public because of circulation of damaged currency notes especially of Re. 1, Rs. 2 and Rs. 5 denominations in some parts of the country including Chhattisgarh and Madhya Pradesh.

(b) and (c) Consequent upon the coinisation of Re. 1, Rs. 2 and Rs. 5 denomination notes, the printing of these notes has been discontinued from November 1994, February 1995 and November 1995 respectively, but they continue to be legal tender. There are still some pieces of notes in these denominations in circulation, which have become soiled due to normal wear and tear.

The Reserve Bank of India is making all efforts to mop up the damaged notes that are in circulation and replace them with coins. The Reserve Bank of India has directed all branches of public sector banks to exchange the damaged notes on being presented by the public. Powers have also been delegated to

†Original notice of the question was received in Hindi.